

DDI# 6182-82  
27 July 1982

MEMORANDUM FOR: Director of Central Intelligence

THROUGH : Chairman, National Intelligence Council

FROM : Maurice Ernst  
National Intelligence Officer for Economics

SUBJECT : Proposed NIE on International Financial Problems

1. At the NFIB meeting Treasury questioned the need for a NIE on this subject. They argued that an interagency project on this same general question is being prepared under the auspices of the SIG on international economic policy and that CIA has been invited to participate in that study. A partial draft of this project is to be ready by the end of August and the final paper is scheduled to be completed before the end of September.

2. The study for the SIG/IEP and the NIE are parallel to some extent, but their purpose and perspective are different. The main purpose of this SIG/IEP study is to recommend improvements in the US and international banking and financial system. The main purpose of the NIE is to assess the possible implications and risks of international financial trends for the world economy and political stability in the Third World. Moreover, the issues are complex enough to justify different approaches and perspectives. I believe we have a contribution to make not only because of specific expertise -- as on Soviet bloc financial relations -- but also because we can take a particularly broad view of the problem, unhampered by departmental habits and interests.

3. Although I believe the papers should proceed on separate tracks, there should be full exchange of information and analysis. Both papers should insofar as possible, use a common data base and reflect all the analytical work available. This exchange of information is underway. All agencies contributing data or analysis will be seeking comments from all the other agencies with expertise.

4. Although different perspectives may emerge from this dual approach, we hope that a single package, which will include the NIE, can be prepared for consideration by the SIG and the NSC.

  
Maurice Ernst

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